

**Direction in Response to City Manager's March 15, 2019 Memo re:
Land Development Code Revision Policy Guidance**

Each of the City Manager's five questions is restated below and followed by specific direction.

Question 1. Scope of Code Revision. To what extent should the Land Development Code be revised?

Option A Adopt a new Land Development Code, consisting of:

- i. A new Land Development Code (text) and Zoning Map, to take effect concurrently; or
- ii. A new Land Development Code (text) only, with the effective date deferred until Council adopts a new Zoning Map.

Option B Adopt a limited set of amendments to the existing Land Development Code, targeting improvements in one or more policy areas.

In response to Question 1, the City Council selects Option A.i. and provides the following additional direction:

1. **Overall Scope.** The code revision process should use the staff-recommended Draft 3 (text and map) as a baseline, with revisions made to implement policy direction provided below and in response to Questions 2-5. Staff should also review recommendations previously made by boards and commissions on Draft 3 and incorporate those with which staff agrees (all or in part), using a process such as that used for the Austin Strategic Mobility Plan.
2. **Timeline.** The manager should have a revised Land Development Code (text) and Zoning Map ready for Council action on First Reading in October of this year (after Planning Commission issues their report on the text and map as part of the required process the Planning Commission having already issued its report on the new Code and Map).
3. **Communication.** The Manager should establish and communicate clearly the public input process for Council's adoption of the revised Land Development Code, including timelines and opportunities for public input.
4. **Code Text.** The revised Land Development Code should be sufficiently clear and unambiguous that administrative criteria manuals are not relied upon to establish policy, except in circumstances where Council has directed that particular requirements be established administratively. The revised Code text and map should result in reduced city-wide impervious cover and improved city-wide water quality.

5. Zoning Map. The revised zoning map should limit the Former Title 25 (F25) zoning classification to unique zoning districts (e.g., NCCDs and PDAs) for which no similar district exists under the revised Land Development Code. Specialized zoning districts that exist today and are of a type contained in the new Code, such as Planned Unit Developments and regulating plans, should be carried over and not be classified as F25.

a. Existing NCCDs should be preserved and carried forward in the new code and map, however, Code and Zoning Map changes related to ADUs, Parking, Preservation Bonuses, and Transition Area mapping (consistent with Council direction provided below and in response to Questions 2-5) should be applied to those NCCDs.

5.b. Common COs that are generally incorporated into new zoning classifications are not to be carried forward; other, unique COs are carried forward and are subject to change with any future rezoning.

Question 2. Housing Capacity. To what extent should the Land Development Code provide for additional housing capacity in order to achieve the 135,000 additional housing units recommended by the *Strategic Housing Blueprint*?

Option A Maintain the level of housing capacity provided by current Code (i.e., approximately 145,000 new units);

Option B Provide a level of housing capacity comparable to Draft 3 of CodeNEXT (i.e., approximately 287,000 new units); or

Option C Provide greater housing capacity than Draft 3, through enhanced measures to allow construction of additional residential units.

In response to Question 2, the City Council selects Option C and provides the following additional direction:

1. Objective. The revised Land Development Code should provide a greater level of housing capacity than Draft 3, and the City Manager should consider this goal in developing proposed revisions to the Code text and zoning map.

a. The new code and map should allow for housing capacity equivalent to two to three times the Austin Strategic Housing Blueprint (ASHB) goal of 135,000 new housing units, as well as for ASHB goals of 60,000 affordable housing units, and 30% Missing Middle Housing, and be achieved in a manner consistent with direction provided throughout this document.

b. In general, within activity centers, along activity corridors, along the transit priority network, and in transition areas, additional entitlements beyond current zoning should only be provided:

i. to increase the supply of missing middle housing, or,

ii. through a density bonus that requires some measure of affordable housing.

~~In general, within activity centers, along activity corridors, along the transit priority network, and in transition areas, additional entitlements beyond current zoning should only be provided:~~

- ~~– to increase the supply of missing middle housing;~~
- ~~– to increase the supply income-restricted affordable housing units achieved alongside market-rate units through a density bonus.~~

- ~~a. In general, additional by-right entitlements achieved through mapping and code revisions should be provided only with the intent to increase the supply of income-restricted affordable housing alongside market-rate units in activity centers, along activity corridors, and in transition areas, and of missing middle housing.~~
- ~~i. By-right entitlements should only be granted where that entitlement carries with it the requirement to provide additional income-restricted affordable housing units or missing middle housing.~~
- ~~ii. [Option: By-right entitlements should be granted where it provides for additional affordable housing bonus opportunities.]~~
- ~~c. The granting of new entitlements in areas currently or susceptible to gentrification should be limited so as to reduce displacement and dis-incentivize the redevelopment of older, multi-family residential development, unless substantial increases in long-term affordable housing will be otherwise achieved.~~

~~iii.~~

Code Text. Code revisions to provide additional housing capacity should include:

- a. For parcels within activity centers and on activity corridors, application of non-zoning regulations should be prioritized in a manner that allows for greater potential housing unit yields than would otherwise be achieved without prioritization.
- ~~a. Non-zoning regulations will be applied so as to allow for higher unit yields for parcels within activity centers and fronting activity corridors. Subject thereto, the prioritization of non-zoning regulations will be for transportation [Option: and utility] right-of-way acquisition, traffic mitigation and transportation demand management, drainage, water quality, [Option: Parkland dedication, heritage tree preservation];~~
- b. A city-led testing process to assess the impact of revised regulations which includes participation by design and technical professionals. The testing should examine how the proposed zoning and non-zoning code provisions perform when applied to various types and scales of development.
- c. Measures to dis-incentivize the demolition and replacement of an existing housing unit(s) with a single, larger housing unit.
- d. Residential uses should be allowed in commercial zoning categories.
- e. Preservation incentives should be expanded everywhere in the Urban Core (defined as the McMansion Area) and outside the Urban Core but within a ¼ mile walkshed from an activity center, activity corridor, or the transit priority network, so that an additional

unit, beyond what would otherwise be allowed, is allowed with the preservation of an existing structure.

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3. Zoning Map. Map revisions to provide additional housing capacity should include broader use of zones that allow for affordable housing density bonuses than in Draft 3.

- a. Greater housing capacity in the urban core will be mapped as an organic result of the direction in Questions 3 and 4 regarding Missing Middle Housing Types and transition area mapping criteria; at the same time, all parts of town should be expected to contribute to reaching our ASHB and Austin Strategic Mobility Plan (ASMP) housing and mode shift goals as well.

Question 3. Missing Middle Housing Types. To what extent should the Land Development Code encourage more "missing-middle" housing types, such as duplexes, multiplexes, townhomes, cottage courts, and accessory dwelling units?

- Option A** Maintain the range of housing types provided for by the current Land Development Code;
- Option B** Provide for a range of housing types comparable to Draft 3;
- or
- Option C** Provide for a greater range of housing types than Draft 3.

In response to Question 3, the City Council selects Option C and provides the following additional direction:

1. Code Text. Code revisions to increase the supply of missing middle housing should include:

- a. A Allowing accessory dwelling units (ADUs), both external and internal/attached, to be permitted and more easily developed in all residential zones;
- b. B Where appropriate, allowing new housing types to qualify as ADUs, including tiny homes on wheels, Airstream-style trailers, modular homes, and 3D-printed homes; and
- c. C Reduced site development standards for missing middle housing options such as duplexes, multiplexes, townhomes, and cottage courts in order to facilitate development of additional units.

2. Zoning Map. The goal of providing additional missing middle housing should inform the mapping of transition zones, consistent with the direction provided throughout this document.

A Map new Missing Middle housing in transition areas adjacent to activity centers, activity corridors, or the transit priority network.

i. Generally, the transition area should be two (2) to (5) lots deep beyond the corridor lot.

ii. The depth and scale of any transition area should be set considering context-sensitive factors and planning principles such as those set out in the direction for Question 4.

Question 4. Compatibility Standards. To what extent should the City's "compatibility standards" (i.e., rules limiting development near residential properties) be modified to provide additional opportunities for development?

Option A Maintain compatibility standards comparable to those in the current Land Development Code;

Option B Reduce the impact of compatibility standards on development to a degree consistent with changes proposed in Draft 3; or

Option C Reduce the impact of compatibility standards on development to a greater degree than Draft 3.

In response to Question 4, the City Council selects Option C and provides the following additional direction:

1. Objective. The code revision should reduce the impact of compatibility standards on development within activity centers and activity corridors to a greater extent than Draft 3.

2. Code Text. Maintain Draft 3's no-build and vegetative buffers between residential and commercial uses, as well as compatibility triggers and standards for properties adjacent to a Residential House-Scale zone. The only exception should be that the highest density Residential House-Scale zones should not trigger compatibility onto the lowest density Residential Multifamily zones in order to create smooth transitions.

2.3. Zoning Map. Compatibility standards and initial mapping should work together in a way that maximizes housing capacity on parcels fronting activity corridors, the Transit Priority Network and, and within activity centers, consistent with applicable base zoning regulations and with any Affordable Housing Bonus otherwise available.

a.4. The revised zoning map should include a transition zone that will eliminate the impact of compatibility for parcels along all activity corridors and within activity centers.

a. At a minimum, Lot(s) adjacent to parcels fronting an activity corridor will be mapped with a residential multi-unit zoning category zone (RM1 and above) that does not trigger compatibility and and is in scale with any adjacent residential house-scale zones. — this could also occur at the back end of a deep corridor lot if such is necessary to achieve the same result.

1-i. Such mapping of this minimal transition zone may not occur in some situations, if Council can craft specific, context sensitive general criteria that provide staff with sufficient mapping direction. [Such criteria, if any, would need to be provided by Council.]

b. The revised zoning map may include additional transition depth, if Council can craft specific, context sensitive general criteria that provide staff with sufficient mapping direction. [Such criteria, if any, would need to be provided by Council. The LDC Revisions should map properties for missing middle housing in transition areas that meet some or all of the following criteria. Entitlements and length of transition areas should be relatively more or less intense for areas that meet more or fewer of the criteria listed below, respectively:

- i. Located on Transit Priority Network, or Imagine Austin Centers or Corridors
- ii. Located within the Urban Core as defined by the Residential Design and Compatibility Standards Area (McMansion Ordinance)
- iii. Has a well-connected street grid
- iv. Located in a higher opportunity area as defined in the Enterprise Opportunity360.

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- c. The depth and scale of transition zones should be reduced so that the transition zone(s) do not overlap with the majority of the existing single-family neighborhood area.
- d. The length and level of entitlement in transition zones should be substantially reduced in "Vulnerable" areas identified in the UT Gentrification Study, regardless of the number of criteria met above.
- e. Lot(s) adjacent to parcels fronting an activity corridor will be mapped with a zone (RM1 and above) that does not trigger compatibility and that could provide a step-down in scale from the zone of the parcel fronting an activity corridor. For a shallow lot on a corridor, consideration will be given to maintaining the zoning of the corridor-fronting lot to the adjoining rear lot, if appropriate.
- f. Transitions in scale should generally occur mid-block
- g. Parcels on opposite sides of streets should generally be mapped with zones of similar scale.
- h. Transition areas should step down to residential house scale as quickly as possible, while providing for a graceful transition in scale from the zone of the parcel fronting an activity corridor.
- i. Transition zones should generally end mid-block.
- j. R4 should be the least intense zone within a transition area.
- k. Staff will provide a projection of how much missing middle housing capacity the mapping of transition areas consistent with these guidelines will provide, and how effectively the map enables us to achieve ASHB and ASMP goals.

Question 5. **Parking Requirements.** To what extent should the City's minimum parking requirements be modified to provide additional opportunities for development and/or encourage transit options consistent with the *Imagine Austin* comprehensive plan?

Option A Maintain minimum parking requirements comparable to those established in the current Land Development Code;

Option B Reduce the impact of minimum parking requirements on development to the same degree as Draft 3; or

Option C Reduce the impact of minimum parking requirements on development to a greater than Draft 3.

In response to Question 5, the City Council selects Option C and provides the following additional direction:

1. **Objective.** The code revision should seek to reduce the impact of minimum parking requirements on development to a greater degree than Draft 3.
2. **Code Text.**
 - a. Minimum parking requirements should be eliminated in areas that are within the ¼ mile walkshed of activity centers, activity corridors, and transit priority network, ~~transit stations with high frequency service~~, except for areas where reductions in parking would be particularly disruptive (conditions to be determined by staff ~~e.g., neighborhoods with narrow streets and no sidewalks, areas near urban schools~~).
 - b. ADA-compliant parking should be required for certain larger scale developments (commercial and residential), even if no minimum parking is otherwise required.
 - c. Code revisions should provide that parking structures are able to evolve over time as transportation patterns change, including design standards for structured parking that will facilitate eventual conversion to residential or commercial uses.

~~Addition 1. Planning.~~

~~[In addition to the areas covered by the Managers five questions, Council can consider adding additional areas. One such area that Council considered on postings and at the work session was Planning. We will post an additional Planning section on the message board the first day or two of next week.]~~